CHCS
Center for
Health Care Strategies, Inc.

Behavioral Health Care Medicaid Delivery Models

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CHCS Mission

To improve health care access and quality for low-income children and adults, people with chronic illnesses and disabilities, frail elders, and racially and ethnically diverse populations experiencing disparities in care.

- **Our Priorities**
  - Enhancing Access and Coverage to Services
  - Improving Quality and Reducing Racial and Ethnic Disparities
  - Integrating Care for People with Complex and Special Needs
  - Building Medicaid Leadership and Capacity

Today's Agenda

- ❑ Purpose
- ❑ Sources
- ❑ Models and State Examples
- ❑ Discussion

Purpose

Overview of state models used to provide behavioral health (BH) services to Medicaid populations across the U.S.

Definitions

- **PROTECTED CARVE-IN** = BH and physical health coordinated by managed care organization (MCO); funding used to support BH services would be guaranteed
- **SERVICE CARVE-OUT** = BH carved out of MCOs with entity providing services at risk
- **POPULATION CARVE-OUT** = Specialty health plan managing all benefits for Serious and Persistent Mental Illness (SPMI) population

Sources

- Background information from relevant CHCS work with states
- Direct communication with state officials
- Review of publicly available state material
- *A Profile of Medicaid Managed Care Programs in 2010: Findings from a 50-State Survey*, Kaiser Family Foundation and Health Management Associates, September 2011. Available at: http://www.kff.org/medicaid/8220.cfm

Protected Carve-In

✓ Tennessee - Full Risk

Model Description

- Regional MCOs integrate all PH, BH and LTC benefits for all beneficiaries
- Full risk contract with withholds and quality incentives

Challenges

- Requirements to effectively manage BH services; one MCO subcontracts in TN

BEST PRACTICES

- Use of BH Performance measures for pay for performance
- Stringent requirements regarding subcontracting to ensure true integration
- Monitor utilization to ensure appropriate access to BH services
- Collaboration across state agencies

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Protected Carve In

✓ Kentucky - Full Risk

Model Description

- Three statewide MCOs integrate all PH, BH, pharmacy, vision and dental benefits for all population (excluding nursing home and waiver population)
- Full-risk contract

Challenges

- State acknowledges work needs to be done around evidence based practices in BH services

BEST PRACTICES

- NCQA accreditation required
- Required to do one BH performance improvement project
- Required to monitor and report on PH and BH trends in utilization

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Service Carve Out

✓ Connecticut - ASO

Model Description

- Statewide ASO for Medicaid FFS population
- ASO fee is at risk based on performance

Challenges

- Potential for fragmented care due to carve out
- Lack of PH data

BEST PRACTICES

- Use of performance incentives and sanctions
- Requirements to coordinate care with PCPs
- Primary Care Behavioral Health Consultation program

Service Carve Out

✓ Iowa - Full Risk

Model Description

- Statewide BHO for Medicaid population and low-income substance abuse population
- Full-risk contract with braided funding

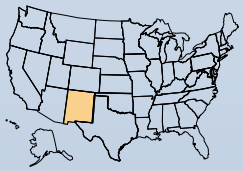
Challenges

- Service system integration
- Potential for fragmented care due to carve out

BEST PRACTICES

- Use of performance indicators with incentives and disincentives
- Reinvestment: contractor required to fund additional services, training, or outreach activities
- Required to convene a workgroup to improve integration and coordination

Service Carve Out



✓ New Mexico - Full Risk

Model Description

- Statewide BHO with braided funding
- Full-risk contract

Challenges

- Potential for fragmented care due to carve out
- Braided funding is difficult to manage administratively

BEST PRACTICES

- Use of performance measures with sanctions
- Reinvestment: contractor required to fund value added services
- MOUs and policies regarding coordination with physical health care providers

Population Carve Out

✓ Arizona - Full Risk

Model Description

- RBHA responsible for all PH and BH benefits for SMI population in Maricopa county
- Full-risk contract

Challenges

- Emerging model; Consider plan capacity to meet requirements

BEST PRACTICES

- Integrated model for high-need, high-cost population
- Creates financial alignment across physical and behavioral health systems
- Allows for information exchange
- State engaging in transparent and collaborative process

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